

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6689**

**BILL NUMBER:** HB 1196

**NOTE PREPARED:** Dec 31, 2005

**BILL AMENDED:**

**SUBJECT:** Senior Fishing Licenses.

**FIRST AUTHOR:** Rep. Ulmer

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
X FEDERAL

**IMPACT:** State

**Summary of Legislation:** This bill discontinues the fishing license exemption for residents who are at least 65 years of age. It establishes a senior fishing license for residents who are at least 60 years of age.

**Effective Date:** July 1, 2006.

**Explanation of State Expenditures:** The Department of Natural Resources (DNR) will experience an increase in administrative expenses associated with establishing new fees. However, it is expected that the DNR will be able to cover the costs of any additional administrative expenses given its existing resources.

**Explanation of State Revenues:** This bill discontinues the fishing license exemption for residents who are at least 65. The bill also provides that the minimum amount that can be assessed an individual who is at least 60 is \$0.00.

Currently, individuals 65 and over are exempt from paying the fee for a fishing license. Under the bill, these individuals would pay a minimum of \$0.00.

Currently, a yearly license to fish is \$14.25. However, the retailer who sells the license retains \$0.75. The DNR receives \$13.50. Under the bill, the fee could be reduced to \$0.00.

The projected number of anglers in the 60-64 age bracket that are currently paying the \$13.50 fee is 2,734. Given this figure, the DNR could lose up to \$36,909 in state revenue if the fee is set at the minimum of \$0.00.

In addition to a potential loss in state revenue, if the DNR sets the fee at the minimum, the DNR would also lose federal reimbursement for each fishing license sold. In order to receive federal reimbursement, the DNR must charge a fee that is at least equal to the cost of producing the license, which is about \$3 if the applicant does not renew over the Internet. The federal reimbursement per license has averaged about \$6.60 over the past three years. Given this figure, the state could lose a potential \$18,044 (or \$6.60 X 2,734 anglers) in federal dollars each year.

**If the DNR establishes the fee at the minimum of \$0.00, the net potential fiscal impact is a decrease in state and federal revenue of approximately \$54,953.** However, if the DNR establishes the fee for those 60 and over at \$3 or above, the bill could result in additional federal reimbursement for each angler 65 or over.

Revenue from the sale of fishing licenses goes into the dedicated Fish and Wildlife Fund that is used to pay the operating expenses of the DNR Divisions of Law Enforcement and Fish and Wildlife.

Four surrounding states have senior fishing licenses: Michigan (\$10.80); Illinois (\$10); Kentucky (\$5); and Ohio (\$10).

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** DNR.

**Local Agencies Affected:**

**Information Sources:** DNR.

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